

Listening Session
for
White House Conference on Aging
(Scheduled for the week of October 23-26, 2005)
Boise, Idaho
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Senator Craig, Members of the Senate Special Committee on Aging and fellow Idahoans. Thank you for the invitation to share with you an important perspective in the discussions concerning our aging population and the impact on the workforce and workplace in America.

For over fifteen years I have focused my work-life on issues affecting families and the need for a family consciousness in the workplace. I chose the field of work-life early on in career searching for balance in economic security and family responsibility. Today as a part of a non-profit foundation, the Center for Emerging Futures, and as a volunteer in the state of Idaho, I am committed to making a positive impact on the toughest issues human's face. I see workplace flexibility as a component in building healthy families, communities and effective workplaces as one of those issues.

With the research and expertise of the Families and Work Institute in New York, the Center for Workforce Preparation, which is part of the US Chamber of Commerce, in Washington DC and funding from the Alfred P. Sloan Foundation we have launched a nationwide campaign to highlight the importance of flexibility to employee engagement, workplace effectiveness and business competitiveness. This project called When Work Works will make a business case for workplace flexibility and engage more employers in the practice of it, raise awareness of the benefits of workplace flexibility for employees, and increase the number of business champions who can serve as role models to other employers. The culmination of this campaign will be the establishment of the Sloan Awards for Business Excellence in Workplace Flexibility given at the local and national levels.

In addition, the Georgetown University Law Center houses another Sloan Foundation project entitled Workplace Flexibility 2010, which has set a goal to make workplace flexibility the standard of the American workplace by providing objective and accurate descriptions of existing legal and practical landscapes with regard to workplace flexibility. They plan to reach out to and establish relationships with current players related to workplace flexibility and cultivate core allies for flexibility among policy and decision makers. This includes identifying and engaging constituencies not currently involved in the workplace flexibility debate and making its primary focus the development of public policy at the local, state and federal levels to create meaningful and effective flexibility options for employees and employers alike. The outcome of workplace flexibility must adequately address the issues facing members of the workforce across life courses and take

into account personal and family situations. Lack of workplace flexibility contributes to many of the stresses in the American work-life scenario. Though there are many significant ways flexibility can affect our current workforce, today I would like to focus the discussion on the aging workforce.

Every 7 seconds someone in the United States turns 50 years of age. 68% of those now aged 50-70 years old expect they will economically need to or would personally like to work past the age of 65. 46% of those also plan to work part-time or part-year. (AARP, 2003) While many businesses have undertaken innovations to provide flexibility for their workers, these efforts are episodic and not easily sustainable given the lack of incentive and support for such efforts and sometimes because of obstacles in current federal policy. (Families and Work Institute, "When Work Works", 2004; Employment Policy Foundation, the Balancing Act, 4/15/03)

The average American now lives 19 years beyond retirement, many are living as retirees for 20 or 30 years. The concept of retirement at the beginning of the last century would have encompassed 1 to 1.5 years. By 2012, the labor shortage may grow to in excess of 6 million qualified workers. With a labor shortage of up to 35 million by 2030, phased retirement programs, a type of workplace flexibility, offer a win-win strategy to meet the needs of retirees and companies. (The Balancing Act, 4/15/03, pg. 1)

Phased or gradual retirement is any human resources program, which allows older workers to reduce their work hours without changing employers and eases the transition into retirement. Phased retirement provides both employers and employees with considerable flexibility. Compounding trends make phased retirement even more viable. The American worker lives longer and is healthier than ever before at retirement age. (The Balancing Act, 4/15/03, pg 3) Recent research by the Committee for Economic Development shows that there is no significant difference in the productivity levels of older workers and younger workers. Additionally, the report found that work has a positive impact on the quality of one's life, promoting better physical and mental well-being. (New Opportunities for Older workers, CED 1999, pg 17) A Cornell Employment and Family Careers Institute study tells us that 35 % of workers--age 54 and older--stated that being able to "partially retire" would be ideal, compared to 19% who would prefer to "fully retire". (The Balancing Act, 4/15/03, pg. 3)

The employer, too, benefits from phased retirement. With the impending labor shortage, the need for highly skilled and experienced workers becoming more acute phased retirement programs would allow employers to mitigate the impact of those retirements by spreading them over a period of years. (The Balancing Act, 4/15/03, pg. 4) In the current system, many retirees return to their places of employment at a higher cost as a consultant or in competition through employment with another company. Though significant legislative and regulatory hurdles must be overcome to implement these programs the flexibility phased retirement would provide to both the employer and employee will become an important management strategy for the future.

Today's workers have increasing responsibility for aging parents or other relatives: 35% of today's workforce has regular responsibilities caring for an elderly parent or relative. Fully 73% of wage and salaried employees in the US use the flextime they are allowed to manage work, personal and family demands. (National Study of the Changing Workforce, Families and Work Institute 2003)

The flexible workplace requires new ways of managing and working. Flexibility was found to be a critical component of an effective workplace today in the National Study of the Changing Workforce conducted by the Families and Work Institute. The study describes flexibility in several ways.

Traditional Flextime allows employees to select their starting and quitting times within a range of hours surrounding core-operating hours. 43% of US employees have access to traditional flextime.

Daily Flextime allows employees to select their starting and quitting times within a range of hours, typically surrounding core-operating hours on a daily basis. 23% of employees have access to daily flextime.

Work Shifts specify the days and times during the day or night that workers work. 73% of wage and salaried employees in the US work regular daytime shifts. Nearly one half (49%) would prefer to have a different shift or different schedule.

A Compressed Work Week enables employees to work their allotted hours over fewer days such as 10 hours per day over 4 days rather than 8 hours per 5 day week. 42 % of wage and salaried employees have the option of working compressed work weeks at least some of the time.

Part-time work includes those who work part days five days per week or those who work full days, but fewer than 5 days per week. Fully 36% of employees 60 years of age or more have part-time jobs and another 21% of those employed full-time would prefer to be working part-time.

Part-year work means reduced hours on an annual basis, rather than a daily or weekly basis. Among employees not currently engaged in seasonal and part-year work, 52% said they would like part-year work—58% of women and 49% of men.

The findings indicate that older workers prefer flexible work arrangements as do the family caregivers and parents. As predictions that the aging of the baby boom generation will create a worker shortage become a reality, it will become more important than ever to retain older employees in the workforce. It is also possible that the "older worker" could be the caregiver for a spouse, parent or relative and in many increasing numbers a grandparent with parenting responsibilities for their grandchildren. *Workplace Flexibility* will be the key in helping the workforce of the future address their economic and family responsibilities.

To summarize--this is a new era of work that calls for new solutions combining public policy initiatives and voluntary action by business and employers. Individuals and companies alike need collaborative strategies developed to be mutually beneficial.

Workplace Flexibility is a win-win solution. And it's not simply the debate we so often hear over flex-time and comp-time. It is truly so much more. *Workplace Flexibility* can refer to working full time and having flexible starting and ending times. It can refer to working reduced hours during the week or throughout the year. It can mean part-time employment, or part-year work. *Workplace Flexibility* can be the ability to exit and re-enter the workforce over the course of one's life. It can also enable people to work productively and to contribute to their communities as they age or experience disabilities and other health conditions. As I have learned over many years of working in the field, genuine *Workplace Flexibility* can take any shape, size or form as long as it is good for the employee and the employer.

We are very aware that managing and working more flexibly places more responsibilities on both managers and employees. Optimal flexibility will not be the same for every employer or employee. Solutions must be tailored to meet the needs of both. Findings from the National Study of the Changing Workforce suggest that working with flexibility will become as commonplace as working with technology. In the future, flexibility won't be a program, a policy, a benefit, or a perk. It will be the way we work. (When Work Works, Summary of Families and Work Institute Research Findings.)

The 2005 White House Conference on Aging should look closely at the issue of *Workplace Flexibility*, including phased retirement, how it is currently being implemented and what can be done to remove the obstacles to its implementation and how we make the workplace more responsive to the needs of the workforce.

The partnerships and projects funded by the Alfred P. Sloan Foundation that I work with look forward to working with you on the challenges faced and the opportunities created by the aging American workforce. Thank you.